

# CONTROLLER JOHN CHIANG

## STATE OF CALIFORNIA

300 Capitol Mall  
Sacramento, CA 95814  
916.445.2636  
[www.controller.ca.gov](http://www.controller.ca.gov)

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CONTACT: GARIN CASALEGGIO  
916-445-2636

## Chiang Review Finds Overpayments to Prisoners

*State Loses Funds for Aged, Blind and Disabled*

**SACRAMENTO** – A report released today by State Controller John Chiang finds that more than \$400,000 in federal and state assistance payments – and potentially millions of additional dollars – have been sent to California county jail prisoners who should not have received the money.

“This state and federal assistance program provides crucial aid to aged, blind and disabled Californians who have little or no income or other resources to provide for their basic needs,” Chiang said. “It clearly is not intended to benefit jail inmates.”

California recipients receive a maximum payment of \$836 a month from the Supplemental Security Income/State Supplementary Payment (SSI/SSP) program to cover living expenses. Federal and state rules require suspending the SSI/SSP assistance payments for recipients who are jailed for longer than 30 days. To ensure the benefits are suspended, the Social Security Administration (SSA) created a program to pay each county jail incentive fees of up to \$400 for every ineligible individual identified. All but two California counties participate in the program.

The 18-month review by the State Controller’s Office found 3,938 prisoners in eight of the participating counties who were receiving SSI/SSP payments. Of those, the State Controller’s Office selected a sample of 539 prisoners to review.

The report found that 257 of the 539 of the inmates were ineligible to receive SSI/SSP payments because they had been incarcerated for 30 days or more. Those ineligible prisoners received a total of \$413,995 (\$272,849 in federal SSI funds and \$141,146 in state SSP funds). The report noted that if the sample were considered statistically representative, total federal and state overpayments in the eight counties would total about \$3 million for the 18-month period.

The review found overpayments primarily stemmed from the failure of some county agencies to promptly report jail incarceration information to the SSA, and the failure of the SSA field offices to stop overpayments in a timely manner. The report recommends the SSA and county officials work together to speed reporting of ineligible individuals and advises SSA headquarters to more closely monitor the actions of its field offices by requiring monthly reports.

The [report](#), including a response from the SSA, can be found on the Controller’s Web site at [www.sco.ca.gov](http://www.sco.ca.gov).

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